

September 19, 2023

Town of Carrot River
PO Box 147
5 Main Street
Carrot River SK S0E 0L0

Attention: Ms. Taryn Bryson, Administrator and Mr. Roman Charko, Mayor

Re: Town of Carrot River

We would like to thank you for allowing us to serve your municipality as your Auditor for the 2022 fiscal year. We have completed our audit of the consolidated financial statements and our auditors' report will provide an unqualified opinion to the ratepayers of the Town.

During the course of our audit of the Town of Carrot River for the year ended December 31, 2022, we identified matters that may be of interest to management. The objective of an audit is to obtain reasonable assurance whether the financial statements are free of material misstatement and it is not designed to identify matters that may be of interest to management. Accordingly, an audit would not usually identify all such matters.

The matters identified were as follows:

Subdivision Reported Value

The costs incurred (\$117,691) on the subdivision owned by the Town have been included in Land for Resale on the financial statements. Public Sector Accounting Standards require that this land be valued at the lower of costs and net realizable value. Please be sure to review this annually and determine if any impairment in the value of the land should be recorded in order to present the land at its appropriate market value.

Debt Limit

Please be advised that the long-term debt of the Municipality exceeds the debt limit prescribed by the Municipalities Act. As such, any additional borrowing of the Town must be approved by the Government of Saskatchewan.

GST Variance

During the year, GST filings for several past periods were done to catch-up on the required filings. The cumulative amount of refunds from these past returns exceeded the amount previously reported in the general ledger for these past periods by ~\$23,000. This amount has been reported in the summary of unadjusted errors and, as it is not material, has not impacted our auditor's report.

Payroll entries

There were numerous inaccuracies in the reporting of payroll amounts during the 2022 fiscal year and considerable time was spent reconciling payroll amounts to ensure proper reporting. It is our understanding that a new payroll process has been implemented in 2023. If you would like us to review payroll transactions made under the new system to ensure the payroll amounts are being reported properly we would be happy to arrange a time this fall to perform certain aspects of the audit work around payroll in the interim period.

School Tax Liability

As discussed, the liability for school tax owing to the school division per the general ledger varies from the reported amount in the statement submitted.

Synopsis

When your synopsis is prepared please forward a copy to us and we will review and confirm, in writing, the synopsis is an accurate reproduction to the financial statement. Canadian Auditing Standards require that we read any other information containing information from the audited financial statements in order to ensure there are no material inconsistencies.

Signatures

The following documents require your signature. Please sign where indicated and return to our office:

1. Financial statements
2. Representation letter
3. Adjusting journal entries
4. Summary of Identified Misstatements
5. Uncorrected Misstatements

If you have any questions, please do not hesitate to call our office.

Sincerely,

JANKE LLP



Shane Janke CPA, CA
Partner

TOWN OF CARROT RIVER

PO Box 147
5 Main Street
Carrot River, SK
S0E 0L0

September 19, 2023
Confidential

Janke LLP
PO Box 1930
Tisdale Saskatchewan S0E 1T0

Attention: Shane Janke CPA, CA

Dear Sir:

This representation letter is provided in connection with your audit of the financial statements of Town of Carrot River for the year ended December 31, 2022, for the purpose of you expressing an opinion as to whether the financial statements is presented fairly, in all material respects, in accordance with Canadian public sector accounting standards

In making the representations outlined below, we took the time necessary to appropriately inform ourselves on the subject matter through inquiries of entity personnel with relevant knowledge and experience, and, where appropriate, by inspecting supporting documentation.

We confirm that (to the best of our knowledge and belief):

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated December 6, 2022 for:

- a. Preparing and fairly presenting the financial statements in accordance with Canadian public sector accounting standards;
- b. Providing you with:
 - i. Access to all information of which we are aware that is relevant to the preparation of the financial statements, such as:
 - A. Accounting records, supporting data and other relevant documentation,
 - B. Minutes of meetings (such as council and audit committee) or summaries of actions taken for which minutes have not yet been prepared, and
 - C. Information on any other matters, of which we are aware, that is relevant to the preparation of the financial statements;
 - ii. Additional information that you have requested from us for the purpose of the audit; and
 - iii. Unrestricted access to persons within the entity from whom you determine it necessary to obtain audit evidence.
- c. Ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements; and
- d. Designing and implementing such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We have also communicated to you any deficiencies in the design and implementation or the maintenance of internal control over financial reporting of which management is aware.

Fraud and Non Compliance

We have disclosed to you:

(continued)

- a. All of our knowledge in relation to actual, alleged or suspected fraud affecting the entity's financial statements involving:
 - i. Management;
 - ii. Employees who have significant roles in internal control; or
 - iii. Others where the fraud could have a material effect on the financial statements;
- b. All of our knowledge in relation to allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators or others;
- c. All known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements that should be considered when preparing the financial statements;
- d. All known, actual, or possible litigation and claims that should be considered when preparing the financial statements; and
- e. The results of our risk assessments regarding possible fraud or error in the financial statements.

Related Parties

We have disclosed to you the identity of all of the municipality's related-party relationships and transactions of which we are aware. This includes sales, purchases, loans, transfers of assets, liabilities and services, leasing agreements, guarantees, non-monetary transactions, and transactions for no consideration for the period ended as well as related balances due to or from such parties at the period end.

All related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian public sector accounting standards.

Estimates

We acknowledge our responsibility for determining the accounting estimates required for the preparation of the financial statements in accordance with Canadian public sector accounting standards. Those estimates reflect our judgment based on our knowledge and experience of past and current events, and on our assumptions about conditions we expect to exist and courses of action we expect to take. We confirm that the significant assumptions and measurement methods used by us in making accounting estimates, including those measured at fair value, are reasonable.

Subsequent Events

All events subsequent to the date of the financial statements and for which Canadian public sector accounting standards requires adjustment or disclosure have been adjusted or disclosed.

Commitments and Contingencies

There are no commitments, contingent liabilities/assets or guarantees (written or oral) that should be disclosed in the financial statements. This includes liabilities arising from contract terms, illegal acts or possible illegal acts, and environmental matters that would have an impact on the financial statements.

Adjustments

We have reviewed, approved and recorded all of your proposed adjustments to our accounting records. This includes journal entries, changes to account coding, classification of certain transactions and preparation of, or changes to, certain accounting records.

Misstatements

The effects of uncorrected misstatements are immaterial, individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements, including the reasons why they were not corrected, is attached to this letter.

Accounting policies

All significant accounting policies are disclosed in the financial statements and are consistent with those used in the previous period.

Contractual compliance

We have complied with the terms and conditions of all contractual agreements that could have a material effect, in the event of non-compliance, on the financial statements.

(continued)

Direct liabilities

We have recorded in the accounts all known liabilities of our municipality as at December 31, 2022 except for trivial amounts.

Inventories

The inventories of raw material, work in progress, finished goods and supplies as at December 31, 2022 were the property of our entity and were determined by actual count, weight or measurement. They do not include any items billed to customers but not shipped, any items returned by customers for which credits have not been recorded, any items on consignment, bill-and-hold arrangements, or other arrangements either owned by us or by our suppliers.

Inventories were measured at the lower of actual cost and net realizable value. Cost is determined by the average cost method.

In pricing the inventories, due allowance was made for slow-moving, obsolete, unsaleable or unusable items.

Inventories were measured on the same basis and were determined in the same manner as inventories at the end of the preceding period.

Impairment of long-lived assets

We have evaluated long-lived assets for recoverability whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. Management acknowledges that when the long-lived asset is not recoverable, an impairment loss is recognized in earnings at the amount by which the carrying amount exceeds its fair value.

Journal entries

We have approved all journal entries and other adjustments proposed by you, and they have been included in our financial statements.

Liabilities and contingencies

All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.

Long-term investments

All long-term investments owned by our municipality are recorded in the accounts. The long-term investments are valued using the equity method, and an appropriate impairment loss has been recognized in earnings when a significant adverse change in the expected timing or amount of future cash flows from investments has been identified. When the extent of such an impairment has decreased, a reversal of the previously recognized impairment loss has been recognized in earnings.

All income earned for the period ended December 31, 2022 on those long-term investments has been recorded in the accounts.

Material measurement uncertainties

The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.

Tangible Capital Assets

Tangible capital assets are recorded at cost. We have good and valid title to all items of property and equipment reflected in the accounts relating thereto, and there are no liens or encumbrances on our assets. During the period ended December 31, 2022, no material amounts relating to additions or improvements of property, plant and equipment were charged to expense. The provision for amortization is based on the cost and expected economic useful lives of the property using the straight-line method.

The property, leasehold improvement and equipment accounts, and the related allowances for amortization have been adjusted for all important items of such assets that were idle, obsolete, sold, dismantled, abandoned or otherwise disposed of for the period ended December 31, 2022 and for all prior periods.

We have evaluated property, plant and equipment for recoverability in accordance with the provisions of the CPA Canada Handbook – Accounting, Part II, Section 3063 (Impairment of Long-Lived Assets). Impairment losses have been recognized in earnings when required.

(continued)

Receivables

The accounts receivable reflected in the accounts constitute valid claims against customers and other debtors.

Receivables known to be uncollectible have been written off, and adequate provision has been made for anticipated adjustments or losses in connection with the collection of receivables.

Regulatory compliance

We are up to date with all corporate filings and annual returns. This includes all Canada Revenue Agency and HST/GST/PST returns.

Revenue recognition

We have recorded all revenue that met the following criteria:

- a. Persuasive evidence of an arrangement exists;
- b. Delivery has occurred, or services have been rendered;
- c. Price is fixed or determinable; and
- d. Collectability is reasonably assured.

Subsequent events

There have been no events between the balance sheet date and the date of this letter that would require recognition or disclosure in the financial statements.

There have been no events subsequent to the balance sheet date of the comparative financial statements that would require adjustment or disclosure in the current financial statements.

None of the councillors were in debt to the company

None of the councillors were in debt to the municipality, other than in the ordinary course of business at the period-end or at any time during the period.

Acknowledged and agreed on behalf of Town of Carrot River by:



Ms. Taryn Bryson, Administrator

September 19, 2023

Date signed



Mr. Roman Charko, Mayor

September 19, 2023

Date signed

Town of Carrot River

Year End: December 31, 2022

Worksheet - Summary of identified misstatements (Core)

Objectives:

To document misstatements identified during the audit and to evaluate:

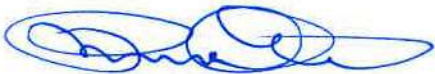
- The effect of identified misstatements on the audit.
- The effect of uncorrected misstatements if any, on the financial statements.

Performance materiality \$ 101,250 Trivial misstatements under \$ 3,300 need not be recorded below.

Round To: 1's

Over (under) misstatement in the financial statements						
Description	Assets	Liabilities	Equity	Profit and Loss	Corrected?	W/P ref.
Total corrected adjusting journal entries	(363,813)	(45,626)	1,300	(367,048)	Yes	335.14 335.15
Unrecorded misstatements - factual	(18,836)	-	48,558	(67,394)	No	335.11
Unrecorded misstatements - projected	-	-	-	-	No	335.12
Unrecorded misstatements - judgmental	-	-	-	-	No	335.13
Total uncorrected misstatements	(18,836)	-	48,558	(67,394)		335.10
Effect of uncorrected misstatements from prior periods	-	48,558	(48,558)	-		
Uncorrected misstatements to be carried forward	(18,836)	48,558	-	(67,394)		


Engagement Forms - Audits



Prepared by	Reviewed by	Reviewed by
		SCJ 2023-06-16

Town of Carrot River
Year End: December 31, 2022
Uncorrected misstatements - all

Refno	Description	Assets	Liabilities	Equity	Income	Expenses	Annotation
Unrecorded - factual							
SUM1	2021 Vacation payouts (not cleared	0.00	0.00	-48,558.06	0.00	48,558.06	
SUM2	Stale-dated cheques	4,144.41	0.00	0.00	0.00	-4,144.41	
SUM3	GST Variance	-22,979.97	0.00	0.00	0.00	22,979.97	
		-18,835.56	0.00	-48,558.06	0.00	67,393.62	
	Understated/(Overstated)	-18,835.56	0.00	-48,558.06	0.00	67,393.62	

Prepared by	Reviewed by	Reviewed by
		SCJ 2023-06-16

Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management is required.

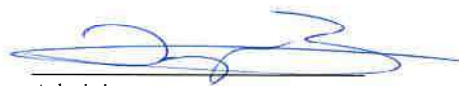
In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The Council is composed of elected officials who are not employees of the municipality. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the municipality's external auditors.

Janke LLP, an independent firm of Chartered Profession Accountants, is appointed by the Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.



Mayor



Administrator

September 19, 2023

INDEPENDENT AUDITOR'S REPORT

**To the Mayor and Council of the
Town of Carrot River**

Opinion

We have audited the financial statements of Town of Carrot River, (the Municipality) which comprise of the Statement of Financial Position as at December 31, 2022, and the Statements of Operations, Change in Net Financial Assets, and Cash Flow for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2022, and the results of its operations and its cash flow for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards (PSAS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Municipality's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Tisdale, Saskatchewan
September 19, 2023



Chartered Professional Accountants

JANKELLP

Municipality of Town of Carrot River

Statement of Financial Position

As at December 31, 2022

Statement I

	2022	2021
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	-	-
Taxes Receivable - Municipal (Note 3)	48,001	65,168
Other Accounts Receivable (Note 4)	243,547	373,691
Assets Held for Sale (Note 5)	129,101	151,527
Long-Term Investments (Note 6)	2,737,101	2,505,058
Debt Charges Recoverable (Note 7)	-	-
Other (Specify)	-	-
Total Financial Assets	3,157,750	3,095,444
LIABILITIES		
Bank Indebtedness (Note 8)	477,101	330,272
Accounts Payable	50,443	305,726
Accrued Liabilities Payable	-	-
Deposits	33,720	30,300
Deferred Revenue (Note 9)	209,716	178,605
Accrued Landfill Costs (Note 10)	-	-
Liability for Contaminated Sites (Note 11)	-	-
Other Liabilities	-	-
Long-Term Debt (Note 12)	3,006,966	3,277,151
Lease Obligations (Note 13)	-	-
Total Liabilities	3,777,946	4,122,054
NET FINANCIAL ASSETS (DEBT)	(620,196)	(1,026,610)
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	12,836,413	13,085,468
Prepayments and Deferred Charges	-	-
Stock and Supplies	-	-
Other (Note 14)	-	-
Total Non-Financial Assets	12,836,413	13,085,468
ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)	12,216,217	12,058,858

The accompanying notes and schedules are an integral part of these statements.

Municipality of Town of Carrot River

Statement of Operations

As at December 31, 2022

Statement 2

	2022 Budget	2022	2021
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	1,376,910	1,331,447	1,288,585
Fees and Charges (Schedule 4, 5)	744,770	885,112	707,867
Conditional Grants (Schedule 4, 5)	158,000	188,020	165,438
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	-	-
Land Sales - Gain (Schedule 4, 5)	-	(17,302)	-
Investment Income and Commissions (Schedule 4, 5)	9,650	230,214	692,899
Restructurings (Schedule 4,5)	-	-	-
Other Revenues (Schedule 4, 5)	-	-	5,708
Total Revenues	2,289,330	2,617,491	2,860,497
EXPENSES			
General Government Services (Schedule 3)	361,700	412,964	368,080
Protective Services (Schedule 3)	383,140	293,229	265,093
Transportation Services (Schedule 3)	413,010	674,823	539,218
Environmental and Public Health Services (Schedule 3)	159,510	168,598	166,908
Planning and Development Services (Schedule 3)	23,920	746	453
Recreation and Cultural Services (Schedule 3)	344,940	415,807	369,071
Utility Services (Schedule 3)	289,170	493,965	438,805
Restructurings (Schedule 3)	-	-	-
Total Expenses	1,975,390	2,460,132	2,147,628
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	313,940	157,359	712,869
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	-	-	1,970,446
Surplus (Deficit) of Revenues over Expenses	313,940	157,359	2,683,315
Accumulated Surplus (Deficit), Beginning of Year	12,058,858	12,058,858	9,375,543
Accumulated Surplus (Deficit), End of Year	12,372,798	12,216,217	12,058,858

The accompanying notes and schedules are an integral part of these statements.

Municipality of Town of Carrot River
Statement of Change in Net Financial Assets
As at December 31, 2022

Statement 3

	2022 Budget	2022	2021
Surplus (Deficit)	313,940	157,359	2,683,315
(Acquisition) of tangible capital assets	-	(131,244)	(3,503,742)
Amortization of tangible capital assets	-	380,299	355,036
Proceeds on disposal of tangible capital assets	-	-	-
Loss (gain) on the disposal of tangible capital assets	-	-	-
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	-	249,055	(3,148,706)
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expense	-	-	-
Consumption of supplies inventory	-	-	-
Use of prepaid expense	-	-	145,690
Surplus (Deficit) of expenses of other non-financial over expenditures	-	-	145,690
Increase/Decrease in Net Financial Assets	313,940	406,414	(319,702)
Net Financial Assets (Debt) - Beginning of Year	(1,026,610)	(1,026,610)	(706,908)
Net Financial Assets (Debt) - End of Year	(712,670)	(620,196)	(1,026,610)

The accompanying notes and schedules are an integral part of these statements.

Municipality of Town of Carrot River
Statement of Cash Flow
As at December 31, 2022

Statement 4

	2022	2021
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	157,359	2,683,315
Amortization	380,299	355,036
Loss (gain) on disposal of tangible capital assets	-	-
	537,658	3,038,351
Change in assets/liabilities		
Taxes Receivable - Municipal	17,167	(24,361)
Other Receivables	130,144	(165,601)
Assets Held for Sale	22,426	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	(255,283)	126,816
Deposits	3,420	810
Deferred Revenue	31,111	(35,053)
Accrued Landfill Costs	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies	-	145,689
Prepayments and Deferred Charges	-	-
Other (Specify)	-	-
Cash provided by operating transactions	486,643	3,086,651
Capital:		
Cash used to acquire tangible capital assets	(131,244)	(3,503,742)
Proceeds on sale of tangible capital assets	-	-
Cash applied to capital transactions	(131,244)	(3,503,742)
Investing:		
Proceeds on disposal of investments	(232,043)	(691,880)
Acquisition in investment	-	-
Cash provided by (applied to) investing transactions	(232,043)	(691,880)
Financing:		
Debt charges recovered	-	-
Proceeds from debt issues	-	655,000
Debt repayment	(270,185)	(225,694)
Other financing (please specify)	-	-
Cash provided by (applied to) financing transactions	(270,185)	429,306
Change in Cash and Temporary Investments during the year	(146,829)	(679,666)
Cash and Temporary Investments - Beginning of Year	(330,272)	349,394
Cash and Temporary Investments - End of Year	(477,101)	(330,272)

The accompanying notes and schedules are an integral part of these statements.

1. Significant Accounting Policies

The financial statements of the municipality have been prepared by management in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the municipality are as follows:

Basis of Accounting: The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable and expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

- a) **Reporting Entity:** No other entities have been consolidated in these financial statements.
- a) **Reporting Entity:** The consolidated financial statements consolidate the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. No other entities are included in these financial statements.
Partnerships: A partnership represents a contractual arrangement between the municipality and a party or parties outside the reporting entity. The partners have significant, clearly defined common goals, make a financial investment in the partnership, share control of decision making, and share, on an equitable basis, the significant risks and benefits associated with the operations of the partnership. No partnerships are included in these financial statements.
- b) **Collection of funds for other authorities:** Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.
- c) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:
 - a) the transfers are authorized
 - b) any eligibility criteria have been met; and
 - c) reasonable estimates of the amounts can be made.Unearned government transfer amounts received will be recorded as deferred revenue.
Earned government transfer amounts not received will be recorded as an amount receivable.
- d) **Other (Non-Government Transfer) Contributions:** Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the municipality if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.
- e) **Deferred Revenue - Fees and charges:** Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- f) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- g) **Net Financial Assets:** Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- h) **Non-financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- i) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- j) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- k) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long term investments in the Saskatchewan Association of Rural Municipalities - Self insurance fund are accounted for on the equity basis.

Municipality of Town of Carrot River
Notes to the Financial Statements
As at December 31, 2022

1. Significant Accounting Policies - continued

- l) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- m) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant deflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
<i>General Assets</i>	
Land	Indefinite
Land Improvements	40 to 75 Yrs
Buildings	40 Yrs
Vehicles & Equipment	
Vehicles	10 Yrs
Machinery and Equipment	10 to 45 Yrs
Leased capital assets	Lease term
<i>Infrastructure Assets</i>	
Infrastructure Assets	30 to 75 Yrs
Water & Sewer	75 Yrs
Road Network Assets	30 to 40 Yrs

Government Contributions: Government contributions for the acquisition of capital assets are reported as capital revenue and do not reduce the cost of the related asset.

Works of Art and Other Unrecognized Assets: Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

Capitalization of Interest: The municipality does not capitalize interest incurred while a tangible capital asset is under construction.

Leases: All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as tangible capital assets. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on a straight line basis, over their estimated useful lives. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

- n) **Landfill Liability:** The municipality does not maintain a waste disposal site.
- o) **Trust Funds:** Funds held in trust for others, under a trust agreement or statute, are not included in the financial statements as they are not controlled by the municipality. Trust fund activities administered by the municipality are disclosed in Note 18.
- p) **Employee Benefit Plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- q) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
- an environmental standard exists;
 - contamination exceeds the environmental standard;
 - the municipality:
 - is directly responsible; or
 - accepts responsibility;
 - it is expected that future economic benefits will be given up; and
 - a reasonable estimate of the amount can be made.

1. Significant Accounting Policies - continued

- r) **Measurement Uncertainty:** The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies are based on estimates of volume and quality.

The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available.

Amortization is based on the estimated useful lives of tangible capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

- s) **Basis of Segmentation/Segment Report:** The municipality follows the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowings.

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

Protective Services: Comprised of expenses for Police and Fire protection.

Transportation Services: Responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

Environmental and Public Health: The environmental segment provides waste disposal and other environmental services.

The public health segment provides for expenses related to public health services in the municipality.

Planning and Development: Provides for neighbourhood development and sustainability.

Recreation and Culture: Provides for community services through the provision of recreation and leisure services.

Utility Services: Provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

- t) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 17, 2022.

- u) **Assets Held for Sale:** the municipality is committed to selling the asset, the asset is in a condition to be sold, the asset is publicly seen to be for sale, there is an active market for the asset, there is a plan in place for selling the asset and the sale is reasonably anticipated to be completed within one year of the financial statement date.

- v) **New Standards and Amendments to Standards:**
Effective for Fiscal Years Beginning On or After April 1, 2022:

PS 1201 Financial Statement Presentation, replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. Requires a new statement of re-measurement gains and losses separate from the statement of operations arising from the re-measurement of financial instruments and items denominated in foreign currencies, as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. Effective in the period PS 3450 and PS 2601 are adopted.

PS 2601 Foreign Currency Translation, replaces PS 2600 with revised guidance on the recognition, presentation and disclosure of transactions that are denominated in a foreign currency. Requires that monetary assets and liabilities denominated in a foreign currency and non-monetary items included in the fair value category, denominated in a foreign currency, be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses are to be presented in the statement of re-measurement gains and losses.

PS 3041 Portfolio Investments, replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of portfolio investments. Removes the distinction between temporary and portfolio investments. Upon adoption of PS 3450 and PS 3041, PS 3030, Temporary Investments, will no longer apply. Effective in the period PS 3450, PS 2601 and PS 1201 are adopted.

PS 3450 Financial Instruments, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives. The standard requires fair value measurement of derivatives and equity instrument that are quoted in an active market, all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

PS 3280 Asset Retirement Obligations, a new standard establishing guidance on the accounting and reporting of legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use. As this standard includes solid waste landfill sites active and post-closing obligations, upon adoption of this new standard, existing Solid Waste Landfill Closure and Post-Closure Liability section PS 3270 will be withdrawn.

Effective for Fiscal Years Beginning On or After April 1, 2023:

PS 3400, Revenue, a new standard establishing guidance on how to account for and report on revenue. The standard provides a framework for recognizing, measuring and reporting revenues that arise from transactions that include performance obligations and transactions that do not have performance obligations. Performance obligations are enforceable promises to provide specific goods or services to a specific payer.

The extent of the impact on adoption of these future standards is not known at this time.

Municipality of Town of Carrot River
Notes to the Financial Statements
As at December 31, 2022

2. Cash and Temporary Investments

	2022	2021
Cash	-	-
Temporary Investments	-	-
Restricted Cash	-	-
Total Cash and Temporary Investments	-	-

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less. [Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.]

3. Taxes Receivable - Municipal

	2022	2021
Municipal - Current	22,619	53,835
- Arrears	25,382	11,333
	48,001	65,168
- Less Allowance for Uncollectible	-	-
Total municipal taxes receivable	48,001	65,168
School - Current	3,594	13,061
- Arrears	3,411	698
Total school taxes receivable	7,005	13,759
Other	-	-
Total taxes and grants in lieu receivable	55,006	78,927
Deduct taxes receivable to be collected on behalf of other organizations	(7,005)	(13,759)
Total Taxes Receivable - Municipal	48,001	65,168

Municipality of **Town of Carrot River**
Notes to the Financial Statements
As at December 31, 2022

4. Other Accounts Receivable

	2022	2021
Federal Government	7,283	162,890
Provincial Government	-	-
Local Government	-	16,000
Utility	58,618	64,208
Trade	180,146	133,093
Other (Specify)	-	-
Total Other Accounts Receivable	246,047	376,191
Less: Allowance for Uncollectible	(2,500)	(2,500)
Net Other Accounts Receivable	243,547	373,691

5. Assets Held for Sale

	2022	2021
Tax Title Property	21,410	43,836
Allowance for market value adjustment	(10,000)	(10,000)
Net Tax Title Property	11,410	33,836
Other Land	117,691	117,691
Allowance for market value adjustment	-	-
Net Other Land	117,691	117,691
Total Assets Held for Sale	129,101	151,527

6. Long-Term Investments

	2022	2021
Sask Assoc. of Rural Municipalities - Self Insurance Fund	-	-
Other - Endowment Fund - Marketable Securities	2,695,101	2,465,058
Other - Term Account	42,000	40,000
Total Long-Term Investments	2,737,101	2,505,058

Marketable securities represent investments in publicly traded companies securities and are stated at market value.

7. Debt Charges Recoverable

	2022	2021
Current debt charges recoverable	-	-
Non-current debt charges recoverable	-	-
Total Debt Charges Recoverable	-	-

Municipality of **Town of Carrot River**

Notes to the Financial Statements

As at December 31, 2022

8. Bank Indebtedness

Bank indebtedness includes an authorized overdraft limit of \$800,000 bearing interest at 6.45% (2021 - 2.45%)

As at December 31, 2022 the overdrawn amount was \$424,707 (2021 - \$330,272)

9. Deferred Revenue

	2022	2021
New Deal Gas Tax & MEEP Revenue	206,033	175,967
Prepaid Municipal Tax	560	560
Stage Roof Project	3,123	2,078
Total Deferred Revenue	209,716	178,605

10. Accrued Landfill Costs

	2022	2021
Environmental Liabilities	-	-

11. Liability for Contaminated Sites

The municipality has not identified any contaminated sites which are expected to require future remediation.

Municipality of **Town of Carrot River**
Notes to the Financial Statements
As at December 31, 2022

12. Long-Term Debt

The debt limit of the municipality is \$2,117,684. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (the *Municipalities Act* section 161(1)).

Debenture debts payable to the Government of Saskatchewan are repayable at \$102,832.89, \$88,959.85 and \$74,068.12 annual payments, including interest at 2.50%, 2.40% and 2.30%. The debentures are due in 2029 and 2040.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2023	204,919	60,943	265,862	265,860
2024	209,862	56,000	265,862	265,861
2025	214,927	50,935	265,862	265,860
2026	220,114	45,748	265,862	265,861
2027	225,425	40,437	265,862	265,862
Thereafter	1,476,499	201,330	1,677,829	1,934,695
Balance	2,551,746	455,393	3,007,139	3,263,999

Bank loan payable to Diamond North Credit Union is repayable at \$86,292.33 annually, including interest at 4.39%. The loan is secured by a general security agreement and is due in 2027.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2023	67,047	22,065	89,112	86,293
2024	67,047	16,302	83,349	86,292
2025	73,063	13,229	86,292	86,293
2026	76,271	10,021	86,292	86,292
2027	79,619	6,673	86,292	86,292
Thereafter	92,173	3,178	95,351	161,860
Balance	455,220	71,468	526,688	593,322

Municipality of Town of Carrot River
Notes to the Financial Statements
As at December 31, 2022

14. Other Non-financial Assets

2022	2021
-	-

15. Contingent Liabilities

The municipality has not identified any contingent liabilities.

16. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality's pension expense in 2022 was \$37,753 (2021 - \$43,711). The benefits accrued to the municipality's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

Total current service contributions by the municipality to the MEPP in 2022 were \$37,753 (2021 - \$43,711). Total current service contributions by the employees of the municipality to the MEPP in 2022 were \$37,753 (2021 - \$43,711).

At December 31, 2021, the MEPP disclosed an actuarial deficiency/surplus of \$312,928,000

For further information of the amount of MEPP deficiency/surplus information see:
<https://mepp.peba.ca/fund-information/plan-reporting>

17. Comparative Figures

Prior year comparative figures have been restated to conform to the current year's presentation.

18. Trusts Administered by the Municipality

A summary of trust fund activity by the municipality during the year is as follows:

	Current Year Total	Prior Year Total
Balance - Beginning of Year	-	-
Revenue (<i>Specify</i>)	-	-
Interest revenue	-	-
Expenditure (<i>Specify</i>)	-	-
Balance - End of Year	-	-

Municipality of **Town of Carrot River**
Notes to the Financial Statements
As at December 31, 2022

19. Related Parties

The financial statements include transactions with related parties.

Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.

20. Contingent Assets

Contingent assets are not recorded in the financial statements.

21. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in an asset and revenue in the future. Significant contractual rights of the municipality are as follows:

Contractual Rights Type	Describe Nature Time and Extent	2022	2023	2024	2025	2026	Thereafter	No Fixed Maturity Date	Current Year Total	Prior Year Total
<i>[i.e. future lease Revenue]</i>		<i>/S/</i>	<i>/S/</i>	<i>/S/</i>	<i>/S/</i>	<i>/S/</i>	<i>/S/</i>	<i>/S/</i>	-	<i>/S/</i>
Contractual Rights 1		-	-	-	-	-	-	-	-	-
Contractual Rights 2		-	-	-	-	-	-	-	-	-
Contractual Rights 3		-	-	-	-	-	-	-	-	-
<i>[Other Specify]</i>		-	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	-	-	-

22. Contractual Obligations and Commitments

The municipality has entered into multiple-year contracts for the delivery of services and the construction of tangible capital assets *[identify those that apply]*. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Significant contractual obligations and commitments of the municipality include:

Contractual Obligations and Commitments Type ¹	Describe Nature Time and Extent	2022	2023	2024	2025	2026	Thereafter	No Fixed Maturity Date	Current Year Total	Prior Year Total
<i>[i.e. future lease Revenue]</i>		<i>/S/</i>	<i>/S/</i>	<i>/S/</i>	<i>/S/</i>	<i>/S/</i>	<i>/S/</i>	<i>/S/</i>	-	<i>/S/</i>
Contractual Obligations 1		-	-	-	-	-	-	-	-	-
Contractual Obligations 2		-	-	-	-	-	-	-	-	-
Contractual Obligations 3		-	-	-	-	-	-	-	-	-
<i>[Other Specify]</i>		-	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	-	-	-

¹ See Note 13 for Capital Lease obligations.

Municipality of **Town of Carrot River**
Schedule of Taxes and Other Unconditional Revenue
As at December 31, 2022

Schedule 1

	2022 Budget	2022	2021
TAXES			
General municipal tax levy	1,101,530	1,079,378	1,004,612
Abatements and adjustments	(13,120)	(21,666)	(36,518)
Discount on current year taxes	(40,000)	(55,354)	(35,842)
Net Municipal Taxes	1,048,410	1,002,358	932,252
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	9,500	14,603	9,286
Special tax levy	-	-	18,158
Other (<i>Specify</i>)	-	-	-
Total Taxes	1,057,910	1,016,961	959,696
UNCONDITIONAL GRANTS			
Revenue Sharing	220,000	203,238	220,318
(Organized Hamlet)	-	-	-
Other (<i>Specify</i>)	-	-	-
Total Unconditional Grants	220,000	203,238	220,318
GRANTS IN LIEU OF TAXES			
Federal	20,000	19,098	19,053
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Central Services	-	-	-
SaskTel	-	-	-
Other (<i>Specify</i>)	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other (<i>Specify</i>)	-	-	-
Other Government Transfers			
S.P.C. Surcharge	55,000	64,404	62,739
Sask Energy Surcharge	24,000	27,746	26,779
Other (<i>Specify</i>)	-	-	-
Total Grants in Lieu of Taxes	99,000	111,248	108,571
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	1,376,910	1,331,447	1,288,585

Municipality of Town of Carrot River
Schedule of Operating and Capital Revenue by Function
As at December 31, 2022

Schedule 2 - 1

	2022 Budget	2022	2021
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	-	-	-
- Sales of supplies	5,480	7,350	6,845
- Other - Tax Enforcement, Rentals	11,070	8,737	10,787
Total Fees and Charges	16,550	16,087	17,632
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	(17,302)	-
- Investment income and commissions	9,650	230,214	692,899
- Other - GST Rebates, Donations	-	-	5,708
Total Other Segmented Revenue	26,200	228,999	716,239
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other - Municipal Recycling	-	-	3,406
Total Conditional Grants	-	-	3,406
Total Operating	26,200	228,999	719,645
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other (Specify)	-	-	-
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)	-	-	-
Total General Government Services	26,200	228,999	719,645

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Policing and fire	18,050	104,950	4,497
- Licenses and fees	3,920	7,843	3,970
Total Fees and Charges	21,970	112,793	8,467
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (Specify)	-	-	-
Total Other Segmented Revenue	21,970	112,793	8,467
Conditional Grants			
- Student Employment	-	-	-
- Local government	78,800	99,717	75,823
- MEEP	-	-	-
- Other (Specify)	-	-	-
Total Conditional Grants	78,800	99,717	75,823
Total Operating	100,770	212,510	84,290
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- MEEP	-	-	-
- Other (Specify)	-	-	-
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)	-	-	-
Total Protective Services	100,770	212,510	84,290

Municipality of Town of Carrot River
Schedule of Operating and Capital Revenue by Function
As at December 31, 2022

Schedule 2 - 2

	2022 Budget	2022	2021
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	1,500	965	5,004
- Sales of supplies	500	23	1,000
- Road Maintenance and Restoration Agreements	-	-	-
- Frontage	-	-	-
- Other (Specify)	-	-	-
Total Fees and Charges	2,000	988	6,004
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (Specify)	-	-	-
Total Other Segmented Revenue	2,000	988	6,004
Conditional Grants			
- RIRG (CTP)	-	-	-
- Student Employment	-	-	-
- MEEP	-	-	-
- Other - Primary Weigh Corridor, SGI	-	-	-
Total Conditional Grants	-	-	-
Total Operating	2,000	988	6,004
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- RIRG (CTP, Bridge and Large Culvert, Road Const.)	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	139,848
- Other (Specify)	-	-	-
Total Capital	-	-	139,848
Restructuring Revenue (Specify, if any)	-	-	-
Total Transportation Services	2,000	988	145,852

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	13,540	8,410	14,844
- Other (Specify)	-	-	26
Total Fees and Charges	13,540	8,410	14,870
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (Specify)	-	-	-
Total Other Segmented Revenue	13,540	8,410	14,870
Conditional Grants			
- Student Employment	-	-	-
- TAPD	-	-	-
- Local government	-	-	-
- MEEP	-	-	-
- Other (Recycling Grant)	6,000	20,072	-
Total Conditional Grants	6,000	20,072	-
Total Operating	19,540	28,482	14,870
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other (Specify)	-	-	-
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)	-	-	-
Total Environmental and Public Health Services	19,540	28,482	14,870

Municipality of **Town of Carrot River**
Schedule of Operating and Capital Revenue by Function
As at December 31, 2022

Schedule 2 - 3

	2022 Budget	2022	2021
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	3,640	35,006	-
- Other (Specify)	-	-	-
Total Fees and Charges	3,640	35,006	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (Specify)	-	-	-
Total Other Segmented Revenue	3,640	35,006	-
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other (Specify)	-	-	-
Total Conditional Grants	-	-	-
Total Operating	3,640	35,006	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other (Specify)	-	-	-
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)	-	-	-
Total Planning and Development Services	3,640	35,006	-

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other- Rentals	96,240	133,467	70,061
Total Fees and Charges	96,240	133,467	70,061
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (Specify)	-	-	-
Total Other Segmented Revenue	96,240	133,467	70,061
Conditional Grants			
- Student Employment	-	-	-
- Local government	73,200	68,231	86,209
- MEEP	-	-	-
- Other (Specify)	-	-	-
Total Conditional Grants	73,200	68,231	86,209
Total Operating	169,440	201,698	156,270
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other (Specify)	-	-	-
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)	-	-	-
Total Recreation and Cultural Services	169,440	201,698	156,270

Municipality of Town of Carrot River
Schedule of Operating and Capital Revenue by Function
As at December 31, 2022

Schedule 2 - 4

	2022 Budget	2022	2021
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	590,830	578,361	590,833
- Sewer	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Fees and Charges	590,830	578,361	590,833
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Other Segmented Revenue	590,830	578,361	590,833
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Conditional Grants	-	-	-
Total Operating	590,830	578,361	590,833
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- New Building Canada Fund (SCF, NRP)	-	-	1,830,598
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Capital	-	-	1,830,598
Restructuring Revenue (<i>Specify, if any</i>)	-	-	-
Total Utility Services	590,830	578,361	2,421,431
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	912,420	1,286,044	3,542,358

SUMMARY			
Total Other Segmented Revenue	754,420	1,098,024	1,406,474
Total Conditional Grants	158,000	188,020	165,438
Total Capital Grants and Contributions	-	-	1,970,446
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	912,420	1,286,044	3,542,358

Municipality of **Town of Carrot River**

Total Expenses by Function

As at December 31, 2022

Schedule 3 - I

	2022 Budget	2022	2021
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	35,540	36,101	35,525
Wages and benefits	123,900	100,377	144,355
Professional/Contractual services	163,350	175,154	122,208
Utilities	12,000	12,757	11,779
Maintenance, materials and supplies	16,300	28,226	31,408
Grants and contributions - operating	9,500	12,705	3,696
- capital	-	-	-
Amortization	-	13,533	13,533
Interest	1,110	29,895	1,474
Allowance for uncollectible	-	-	-
Other (Housing Authority)	-	4,216	4,102
General Government Services	361,700	412,964	368,080
Restructuring (Specify, if any)	-	-	-
Total General Government Services	361,700	412,964	368,080

PROTECTIVE SERVICES

Police protection			
Wages and benefits	-	-	-
Professional/Contractual services	77,790	82,723	77,790
Utilities	-	-	-
Maintenance, material and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Other (Specify)	-	-	-
Fire protection			
Wages and benefits	114,680	106,209	84,241
Professional/Contractual services	7,070	3,536	1,144
Utilities	20,000	22,279	18,931
Maintenance, material and supplies	163,600	32,382	45,695
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	46,100	37,292
Interest	-	-	-
Other (Specify)	-	-	-
Protective Services	383,140	293,229	265,093
Restructuring (Specify, if any)	-	-	-
Total Protective Services	383,140	293,229	265,093

TRANSPORTATION SERVICES

Wages and benefits	155,950	116,370	120,421
Professional/Contractual Services	6,000	5,887	15,694
Utilities	28,100	38,531	35,375
Maintenance, materials, and supplies	180,960	241,222	115,991
Gravel	40,000	34,276	28,535
Grants and contributions - operating	-	-	-
- capital	2,000	-	-
Amortization	-	155,331	136,473
Interest	-	83,206	86,729
Other (Specify)	-	-	-
Transportation Services	413,010	674,823	539,218
Restructuring (Specify, if any)	-	-	-
Total Transportation Services	413,010	674,823	539,218

Municipality of Town of Carrot River

Total Expenses by Function

As at December 31, 2022

Schedule 3 - 2

	2022 Budget	2022	2021
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	159,510	162,087	160,397
Utilities	-	-	-
Maintenance, materials and supplies	-	-	-
Grants and contributions - operating	-	-	-
o Waste disposal	-	-	-
o Public Health	-	-	-
- capital	-	-	-
o Waste disposal	-	-	-
o Public Health	-	-	-
Amortization	-	6,511	6,511
Interest	-	-	-
Other (Specify)	-	-	-
Environmental and Public Health Services	159,510	168,598	166,908
Restructuring (Specify, if any)	-	-	-
Total Environmental and Public Health Services	159,510	168,598	166,908

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits	-	-	-
Professional/Contractual Services	-	-	-
Grants and contributions - operating	23,920	746	453
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other (Specify)	-	-	-
Planning and Development Services	23,920	746	453
Restructuring (Specify, if any)	-	-	-
Total Planning and Development Services	23,920	746	453

RECREATION AND CULTURAL SERVICES

Wages and benefits	160,700	176,585	126,873
Professional/Contractual services	9,050	20,702	25,768
Utilities	96,410	83,759	52,794
Maintenance, materials and supplies	57,900	57,043	86,268
Grants and contributions - operating	17,380	29,404	29,054
- capital	-	-	-
Amortization	-	48,314	48,314
Interest	3,500	-	-
Allowance for uncollectible	-	-	-
Other (Specify)	-	-	-
Recreation and Cultural Services	344,940	415,807	369,071
Restructuring (Specify, if any)	-	-	-
Total Recreation and Cultural Services	344,940	415,807	369,071

Municipality of Town of Carrot River

Total Expenses by Function

As at December 31, 2022

Schedule 3 - 3

	2022 Budget	2022	2021
UTILITY SERVICES			
Wages and benefits	84,300	111,156	167,108
Professional/Contractual services	1,000	705	1,845
Utilities	32,560	61,351	32,561
Maintenance, materials and supplies	171,310	210,242	124,378
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	110,511	112,913
Interest	-	-	-
Allowance for Uncollectible	-	-	-
Other (<i>Specify</i>)	-	-	-
Utility Services	289,170	493,965	438,805
Restructuring (<i>Specify, if any</i>)	-	-	-
Total Utility Services	289,170	493,965	438,805
 TOTAL EXPENSES BY FUNCTION			
	1,975,390	2,460,132	2,147,628

Municipality of Town of Carrot River
Schedule of Segment Disclosure by Function
As at December 31, 2022

Schedule 4

Revenues (Schedule 2)

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Fees and Charges	16,087	112,793	988	8,410	35,006	133,467	578,361	885,112
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	(17,302)	-	-	-	-	-	-	(17,302)
Investment Income and Commissions	230,214	-	-	-	-	-	-	230,214
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	99,717	-	20,072	-	68,231	-	188,020
- Capital	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	228,999	212,510	988	28,482	35,006	201,698	578,361	1,286,044

Expenses (Schedule 3)

Wages & Benefits	136,478	106,209	116,370	-	-	176,585	111,156	646,798
Professional/ Contractual Services	175,154	86,259	5,887	162,087	-	20,702	705	450,794
Utilities	12,757	22,279	38,531	-	-	83,759	61,351	218,677
Maintenance Materials and Supplies	28,226	32,382	275,498	-	-	57,043	210,242	603,391
Grants and Contributions	12,705	-	-	-	746	29,404	-	42,855
Amortization	13,533	46,100	155,331	6,511	-	48,314	110,511	380,300
Interest	29,895	-	83,206	-	-	-	-	113,101
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	4,216	-	-	-	-	-	-	4,216
Total Expenses	412,964	293,229	674,823	168,598	746	415,807	493,965	2,460,132
Surplus (Deficit) by Function	(183,965)	(80,719)	(673,835)	(140,116)	34,260	(214,109)	84,396	(1,174,088)

Taxes and other unconditional revenue (Schedule 1) 1,331,447

Net Surplus (Deficit) **157,359**

Municipality of Town of Carrot River
Schedule of Segment Disclosure by Function
As at December 31, 2021

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	17,632	8,467	6,004	14,870	-	70,061	590,833	707,867
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income and Commissions	692,899	-	-	-	-	-	-	692,899
Other Revenues	5,708	-	-	-	-	-	-	5,708
Grants - Conditional	3,406	75,823	-	-	-	86,209	-	165,438
- Capital	-	-	139,848	-	-	-	1,830,598	1,970,446
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	719,645	84,290	145,852	14,870	-	156,270	2,421,431	3,542,358
Expenses (Schedule 3)								
Wages & Benefits	179,880	84,241	120,421	-	-	126,873	167,108	678,523
Professional/ Contractual Services	122,208	78,934	15,694	160,397	-	25,768	1,845	404,846
Utilities	11,779	18,931	35,375	-	-	52,794	32,561	151,440
Maintenance Materials and Supplies	31,408	45,695	144,526	-	-	86,268	124,378	432,275
Grants and Contributions	3,696	-	-	-	453	29,054	-	33,203
Amortization	13,533	37,292	136,473	6,511	-	48,314	112,913	355,036
Interest	1,474	-	86,729	-	-	-	-	88,203
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	4,102	-	-	-	-	-	-	4,102
Total Expenses	368,080	265,093	539,218	166,908	453	369,071	438,805	2,147,628
Surplus (Deficit) by Function	351,565	(180,803)	(393,366)	(152,038)	(453)	(212,801)	1,982,626	1,394,730

Taxes and other unconditional revenue (Schedule 1)

1,288,585

Net Surplus (Deficit)

2,683,315

Municipality of Town of Carrot River
Schedule of Tangible Capital Assets by Object
As at December 31, 2022

Schedule 6

		2022						2021		
	General Assets					Infrastructure Assets	General/ Infrastructure Assets Under Construction	Total	Total	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets				
Assets	Asset cost	440,135	-	3,939,367	171,741	2,062,748	9,996,029	3,662,710	20,272,730	16,768,988
	Opening Asset costs	440,135	-	3,939,367	171,741	2,062,748	9,996,029	3,662,710	20,272,730	16,768,988
	Additions during the year	-	-	16,398	-	43,926	16,806	54,114	131,244	3,533,820
	Disposals and write-downs during the year	-	-	-	-	-	-	-	-	(30,078)
	Transfers (from) assets under construction	-	-	3,716,824	-	-	-	(3,716,824)	-	-
	Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
	Closing Asset Costs	440,135	-	7,672,589	171,741	2,106,674	10,012,835	-	20,403,974	20,272,730
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs	-	-	1,660,471	123,142	798,617	4,605,032	-	7,187,262	6,832,226
	Add: Amortization taken	-	-	80,292	10,287	81,603	208,117	-	380,299	355,036
	Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-
	Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
		Closing Accumulated	-	-	1,740,763	133,429	880,220	4,813,149	-	7,567,561
	Net Book Value	440,135	-	5,931,826	38,312	1,226,454	5,199,686	-	12,836,413	13,085,468

Municipality of Town of Carrot River
Schedule of Tangible Capital Assets by Function
As at December 31, 2022

Schedule 7

		2022						2021	
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Assets	Asset cost								Total
	Opening Asset costs	544,797	1,076,477	6,242,236	1,070,389	-	1,662,586	9,676,246	20,272,731
	Additions during the year	16,398	43,926	-	-	-	16,806	54,114	131,244
	Disposals and write-downs during the year	-	-	-	-	-	-	-	-
	Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing Asset Costs		561,195	1,120,403	6,242,236	1,070,389	-	1,679,392	9,730,360	20,403,975
Amortization	Accumulated								
	Opening Accumulated Amortization Costs	239,405	413,078	2,383,767	220,764	-	854,301	3,075,948	7,187,263
	Add: Amortization taken	15,358	46,100	155,331	20,488	-	32,511	110,511	380,299
	Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-
	Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs		254,763	459,178	2,539,098	241,252	-	886,812	3,186,459	7,567,562
Net Book Value		306,432	661,225	3,703,138	829,137	-	792,580	6,543,901	12,836,413
									13,085,468

Municipality of Town of Carrot River
Schedule of Accumulated Surplus
As at December 31, 2022

Schedule 8

	2021	Changes	2022
UNAPPROPRIATED SURPLUS	(413,057)	(96,336)	(509,393)
APPROPRIATED RESERVES			
Endowment fund	2,462,535	232,566	2,695,101
Public Reserve	-	-	-
Capital Trust	103,422	-	103,422
Utility	97,640	-	97,640
Other (Specify)	-	-	-
Total Appropriated	2,663,597	232,566	2,896,163
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	13,085,468	(249,055)	12,836,413
Less: Related debt	(3,277,150)	270,184	(3,006,966)
Net Investment in Tangible Capital Assets	9,808,318	21,129	9,829,447
Total Accumulated Surplus	12,058,858	157,359	12,216,217

Municipality of **Town of Carrot River**

Schedule of Mill Rates and Assessments

As at December 31, 2022

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	142,450	54,495,440	-	-	10,368,810	-	65,006,700
Regional Park Assessment							
Total Assessment							65,006,700
Mill Rate Factor(s)	2.54	1.00	-	-	2.54		
Total Base/Minimum Tax (generated for each property class)	1,300	544,400	-	-	67,600		613,300
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	3,435	860,432	-	-	215,511		1,079,378

MILL RATES: MILLS

Average Municipal*	16.60
Average School*	4.90
Potash Mill Rate	-
Uniform Municipal Mill Rate	5.90

* Average Mill Rates (multiply the total tax levy for each taxing authority by 1000 and divide by the total assessment for the taxing authority).

Municipality of **Town of Carrot River**
Schedule of Council Remuneration
As at December 31, 2022

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Roman Charko	5,500	2,400	7,900
Councillor	Neal Wasko	3,000	1,800	4,800
Councillor	Chad Trombley	2,500	1,500	4,000
Councillor	Dylan Borody	3,000	1,800	4,800
Councillor	Al Frecon	3,000	1,800	4,800
Councillor	Chris Bergen	3,000	1,800	4,800
Councillor	Carrie Neigel	3,000	1,800	4,800
Councillor	Evan Wolowski	250	150	400
Total		23,250	13,050	36,300